

EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:

	ACTION	INFO	DATE	INITIAL
1 DCI		X		
2 DDCI		X		
3 EXDIR		X		
4 D/ICS				
5 DDI				
6 DDA				
7 DDO				
8 DDS&T				
9 Chm/NIC				
10 GC				
11 IG				
12 Compt		X		
13 D/OLL				
14 D/PAO				
15 VC/NIC				
16				
17				
18				
19				
20				
21				
22				
SUSPENSE _____ Date _____				

Remarks

Orig being h/c by ICS
w/b furnished later.

Encl

25X1

25X1

Executive Secretary

Aug 85

Date

The Director of Central Intelligence

Washington, D.C. 20505

Executive Registry

85- 3023

31 July 1985

The Honorable Caspar W. Weinberger
The Secretary of Defense
Washington, D.C. 20301

Dear Cap:

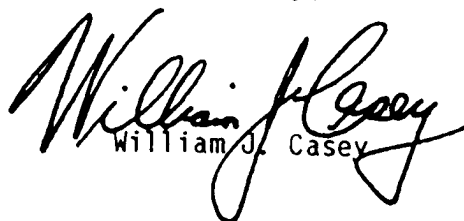
Last December, we agreed, along with OMB, that it was time to project a more modest growth in investment in the NFIP than we have experienced in the recent past. At that time, I agreed that generally a three percent real growth through FY 1990 should allow the NFIP to continue the critical modernization to deal with the challenges of the next decade. These results were embodied in the President's FY 1986 Budget, the OMB Allowance Letter for FY 1987-1991, and the January 1985 edition of the Defense Five Year Defense Program (FYDP). (S)

25X1 In the aftermath of the President's agreement with the Senate to hold
25X1 Defense spending growth in FY 1987 and FY 1988 to three percent after inflation, the May FYDP was amended unilaterally by OSD to reduce the NFIP by [] in FY 1987 and a total of [] through FY 1991. This action was undertaken directly counter to your policy enunciated by Frank Carlucci that such actions would not be taken by any element of the Defense Community without coordination with the DCI. (S)

I stand ready to abide by the agreement we made in December which I believe to be in keeping with the President's policy on balancing deficit reductions with the needs of national security. Acknowledging the impact of probable Congressional reduction in FY 1986, we have thoroughly reviewed our programs and developed a profile based on three percent real growth. This profile is attached for inclusion in the appropriate Program Decision Memorandum and the next update of the FYDP. (S)

25X1 I believe this to be an appropriate response to the intelligence
25X1 needs of the nation. In addition to the [] I have cut from the Program Managers' submissions, this new profile reduces the NFIP by another [] in FY 1987 from the level agreed upon in December. (S)

Sincerely,


William J. Casey

Enclosure:
NFIP Profile

25X1 SECRET